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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/057,465	01/25/2002	Ynjiun P. Wang	807009/ESX 009	1301

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EXAMINER

NGUYEN, CUONG H

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 12/31/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/057,465

Applicant(s)

WANG, YNJIUN P.

Examiner

CUONG H. NGUYEN

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 06 October 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-12 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-12 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s) _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 10. 6) ☐ Other: _____

DETAILED ACTION

Specification

1. The title of the invention is not descriptive. A new title is required that is clearly indicative of the invention to which the claims are directed.

Information Disclosure Statement

2. The information disclosure statement filed 10/06/2003 fails to comply with 37 CFR 1.98(a)(3) because it does not include a concise explanation of the relevance, as it is presently understood by the individual designated in 37 CFR 1.56(c) most knowledgeable about the content of the information, of each patent listed that is not in the English language. It has been placed in the application file, but the information referred to therein has not been considered.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claims 7-8, 5 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

A. Claims 7-8 recite the limitation "PEAD" in line 2 (of claims 7-8). There is insufficient antecedent basis for this limitation in the claim.

B. As to claim 5: The "or" at the beginning of the last paragraph of this claim should be changed to — else — for an old and well-known understandable language.

"if the card number received from the merchant is not a unique merchant assigned number, then the server does nothing,

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or if the card number is a unique merchant assigned number, then look up information in the database in the payment server using the phone number or pin number as the index."

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

A. As to claim 1: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922).

Wang '922 already disclose the claimed invention.

Wang teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system, the charge card terminal being configured to interface with a charge card for the purpose of conducting the charge card transaction, providing a merchant card to a merchant where the charge card transaction is to be conducted (see **Wang '922**, Fig.2), comprising:

accepting at a charge card terminal for the merchant where the charge card transaction is to be conducted to accept the merchant card and a **pin number** or **cellular phone number from the user** conducting the charge card transaction (see **Wang '922**, 5:4-13 "Port 204 may represent an infrared port to facilitate infrared communication with PEAD 200. Alternatively, port 204 may represent a **wireless** port for facilitating **wireless** communication. Port 204 may even represent a contact-type connection port, such as a magnetic read/write mechanism or a plug having electrical contacts for directly plugging PEAD 200 into port 204 to facilitate communication. Other techniques to facilitate communication between requesting device 202 and PEAD 200 are readily

appreciable to those skilled.”), and see **Wang**, ‘922, 12:2-6, “The PEAD 200 can be built-in a portable phone such that port 602 can be a **wireless** communication and/or infrared port, display 610 can be a display on the portable phone, and buttons 606 and 608 are button keys on the portable phone key pad.”. Wang used a wireless communication means (e.g. cell-phone/(portable phone) to facilitate wireless communication authorization); and see **Wang** ‘922 15:34-39, “If the requesting device is a portable device, or hand-held device, then the PEAD 908 can be embedded into the requesting device 906. Also, the communication link between the requesting device 906 and the server 902 can be a **wireless** communication link as shown in FIG. 9B.”;

- The examiner submits that Wang inherently teaches “detecting the use of the merchant card at a central processing area” by disclosing in ‘922, 16:51-67, “For ease of discussion, assume that the requesting device (e.g., the user's computer) is PEAD-enabled. In this case, the TP may communicate with the PEAD, once it has detected the presence of such a device, to obtain approval data, authentication data and/or any other required user-supplied information in accordance with techniques discussed (step 1006 of FIG. 10). By way of example, the TP may employ the communication port in the requesting device for communication with the PEAD. As any of the required user authentication and user-supplied data may be stored in the PEAD, the user's approval, authentication and/or other user-supplied data may be encrypted by the PEAD and transmitted back to the requesting device wherein the TP may employ such data for responding to the transaction request, including transmitting some or all of the encrypted data received from the PEAD back to the server (step 1008 of FIG. 10).”;

in response to said detection step, utilizing the phone number (see **Wang** ‘922, claim 63: “63. The method of claim 59, wherein the unique ID of the portable electronic authorization device is a cellular phone number.”) to cause a call to be placed to a cellular

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phone of a person required to authorize the charge card transaction, sending a report of the users charge card transaction to the cellular phone, and authorizing approval of the charge card transaction back to the merchant's charge card terminal only upon approval by the authorized person.

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

B. As to claim 2: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922).

_____The rationales and references for rejection of claim 1 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system, wherein the merchant further enters the amount to be charged (see **Wang**, 18:33 to 19:14).

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

C. As to claim 3: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922).

The rationales and references for rejection of claim 1 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system, wherein the merchant further enters an identification of the type transaction being conducted (see **Wang**, 13:30-36).

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

D. As to claim 4: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922).

The rationales and references for rejection of claim 1 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system, wherein the merchant card is assigned a valid credit card number, the valid credit card number of the merchant being detected. to initiate the step of calling the authorizing persons cellular phone.

The examiner submits that Wang teaches of using a valid credit card number to initiate a transaction (see **Wang**, 18:33 to 19:14).

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest calling the authorizing persons cellular phone if a card is valid, because Wang teaches about making a call if a credit card number/key/certificate is valid; therefore, this would help to smooth a transaction process.

E. As to claim 5: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922).

The rationales and references for rejection of claim 1 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system (see **Wang '922**, Fig.2), comprising a step of filtering all credit card transactions from the charge card terminal of the merchant through a central processing server, and in response to that filtering step,

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if the card number received from the merchant is not a unique merchant assigned number, then the server does nothing, Wang obviously teach that idea when checking user's input data for authentication (see **Wang '922** 1:57-65, and Wang discloses "In return, the TP preferably receives user's data from the user (e.g., the user's identification data, any data which may be required for the proposed transaction such as the address information, quantity information, size information, method of payment, credit card number, account number, and the like), and an indication of approval of the transaction."

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

F. As to claim 6: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922).

The rationales and references for rejection of claim 1 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system (see **Wang '922**, Fig.2), wherein the payment server uses the transaction associated phone number or pin number as an index to a database which stores a cellular phone number for the person required to authorize the transaction(see **Wang '922**, claim 63).

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application, and because it is old and well-known to fast filtering a database using indexes comprising related numbers of a subject.

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G. As to claim 7: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**, (US Pat. 6,175,922), in view of **Cambier**, (US Pat.6,532,298).

Wang teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system.

Wang does not disclose that a cellular phone has an imbedded PEAD.

However, Cambier teaches that idea (e.g., using an embedded chip), see **Cambier**, 16:31-35 “these operations not only allow the algorithm to execute in real-time, but it also enables a straightforward implementation in simple, low-cost, hardware devices that could be embedded within a digital camera or frame grabber”.

Moreover, Wang (US Pats. 5,917,913 and 6,175,922) already taught the public about using PDA for communication, a PEAD is used for personal authorization, and that PEAD would be integrated in that PDA.

Therefore, using a cell-phone with an embedded PEAD would be obvious to one with ordinary skill in the art from Cambier’s suggestion since cell-phone is merely an implementation for a communication device as said in previous Wang’s patent. This device with embedded chip would only receives intended signals for specific transactions.

H. As to claim 8: Wang teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system, wherein upon determining that the authorizing person's cellular phone has a PEAD, the server sends a transaction message to the authorizing person's phone for approval using a PEAD imbedded in the phone, the authorizing person approving the transaction by entering a pin number at the cellular phone (see **Wang '922**, 11:54 to 12:5).

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It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang's invention was published before the filing date of this application, and because it is old and well-known to execute an authorization using a secret password, in this case, it happens to be a PIN entering on a cell-phone's keypad.

I. As to claim 9: It is rejected under 35 U.S.C. 103(a) as being unpatentable over **Wang**(US Pat. 6,175,922), in view of **Katz** (US Pat. 5,495,284).

The rationales and references for rejection of claim 7 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system (see **Wang '922**, Fig.2). Wang suggested the use of a wireless device in the process.

It would be obvious to one of ordinary skill in the art to recognize the particular operation characteristics of a touch-tone phone by looking up a database, then a server will send a message requesting a dial tone PIN for approval according to the authorization process taught by Wang.

J. As to claim 10: The rationales and references for rejection of claim 9 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system (see **Wang '922**, Fig.2), wherein the database server utilizes an interactive voice response system to convey the transaction information to the authorizing person's cellular phone (see **Wang**, 20:4-34, "It is also possible to use an ordinary cellular phone not necessarily having web capability to perform both above Service Reservation Transaction and Point-of-Sale Transaction by using a remote voice activated or touch tone server. For example, this is called an Agent Server. The Agent server functions exactly like the PEAD in a Web phone except it is not necessarily portable. It operates through the existing voice activated or touch tone interfacing with the end user through

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the existing phone network. Once the user registers an xAgent in the Agent Server, the ordinary cellular phone end user can enjoy all the same functionality as the Web phone user. For example, the end user can use the ordinary cellular phone to dial in to the Agent Server to activate his own xAgent by entering his xAgent password through voice activated interface or touch tone interface. Once xAgent is activated, it can reserve a hotel room, order tickets, pay at a point-of-sale counter through the Agent Server, just as if it were running on a Web phone. For example, the end user can reserve the a hotel room, once the xAgent gets the approval from the user's cellular phone, the xAgent running on the Agent Server can exchange the credit information pre-stored in the xAgent and sign the transaction. The hotel can issue the electronic room key to the xAgent in the Agent Server just the same as to the PEAD. When the end user arrives at the hotel, he can dial the Agent Server number to request to activate the electronic room key stored in the xAgent to open the door through the Internet. Similarly, all other applications that can be conducted through a Web phone, can also be conducted by the ordinary cellular phone plus the remote running xAgent in the Agent Server").

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

K. As to claim 11: The rationales and references for rejection of claim 9 are incorporated.

Wang teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system (see **Wang '922**, Fig.2), wherein upon the authorizing person authorizing/approving the transaction, a settlement is made to the authorizing person's account utilizing an account selected from a credit card/(a bank account), (see **Wang '922** 2:14-16, "The data stored in data card 107 enables electronic transaction system 102 to ascertain which account in database 104 user 106 wishes to transact business.").

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

L. As to claim 12: The rationales and references for rejection of claim 1 are incorporated.

Wang also teaches a method for permitting a user to conduct a charged transaction utilizing a charge terminal of an electronic transaction system (see **Wang '922**, Fig.2), wherein the party controlling the payment server is the issuer of the merchant card (see **Wang '922**, 8:9-11," Issuers of PEAD 200 may represent, for example, credit card issuers, the government, or any other institution with whom the user maintains an account.").

It would be obvious to one of ordinary skill in the art to use the above idea from Wang's invention to suggest the above claimed subject matter, because Wang 's invention was published before the filing date of this application.

Conclusion

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- From Dialog® file 9, acc. No. 2010902, titled "With accuracy up, cost down, market grows for EDINA, MN., biometrics Co., Saint Paul Pioneer Press, 11/16/1997, wherein this article discloses that cell phone industry has been looking to authenticate and very transactions over the phone.

- Anonymous, New products, Chain Store Age Executive, 7/1994, v70n7 (Section 1), wherein this article teaches about POS-50 having a **PIN**-pad interface, from U.S.

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Wireless Data, is a portable, fully-integrated wireless mobile credit card and check authorization terminal that enables merchants to **authorize transactions** anywhere **cellular phone service exists**.

- Resnick et al., WO 0030044 – H04K 01/00 – 5/25/2000 (priority date: 11/17/1998), Electronic payment system utilizing intermediary account, this patent discloses that account validation is a transaction to **verify that an end-user account number** (e.g., a **cell phone number**) exists in the customer database.
- Jimmy Ng K H et al., titled “Commercial transaction authorization method in e.g., departmental store, involves verifying transaction related information and **requesting transaction confirmation on receiving verification approval signal**”, priority date: 10/26/2001 (from Dialog® file 350, acc. No. 015514487); this invention discloses that transaction-related information including an account identifier is received, accessed and verified with the account. **An approval signal is generated upon satisfactory verification** and a communication device associated with the account is contacted. Transaction confirmation is requested from the device. **Commercial transaction is authorized on receiving the approval signal and the transaction confirmation**.
- Mackay G, CA 2408469 – G07F 7/00 – 4/19/2003 (priority date: 10/19/2001), Payment system for vending machine purchase made through cellular telephone, has auto-attendant that **verifies cellular phone user’s mode of payment and provides user with authorization code** for output to vending machine. This invention discloses that two-way communication with the user’s cellular phone to receive requests for electronic payment for goods/services. The auto-attendant verifies the user’s mode of

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payment and provides an authorization code to the user. A processor in the **vending machine receives the authorization from the user and provides goods/services.**

- Carol H. Fancher, "In your pocket smartcards," Electronic Payments, IEEE Spectrum, Feb. 1997, Motorola, Inc., pp. 47-53.

- Morrill P H – Funds transfer **authenticating method for transferring funds using cellular telephones**, electronic wallet, **wireless PIN pad**, contactless smartcard, etc., 9/11/1996. This invention discloses an advantage of highly reliable and simple technique provides desirable results since an unauthorized user with closed **cellular phone** would need to know **unique function code, account number and personal identification number (PIN) to complete the transaction and generate a confirmation number** and thus transactions of unauthorized users are not performed.

- Graves M A., Secure data interchange system – uses intelligent card as portable device to verify that terminal is valid, which in turn verifies that card is valid, from Dialog® file 350, acc. No. 008338933 (priority date: 1/17/1989 – CA 588388).

Note: Wang (US Pats. 5,917,913 and 6,175,922) already taught the public about using PDA for communication, a PEAD is used for personal authorization, and that PEAD would be integrated in that PDA. Therefore, using a cell-phone with a PEAD would be obvious to one with ordinary skill in the art since cell-phone is merely an implementation for a communication device as said in previous Wang's patent.

- Wang, Ynjiun P. et al., Electronic transaction systems and methods therefor, PGPUB-DOCUMENT-NUMBER: 20020023215,

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PUBLICATION-DATE: February 21, 2002 (Patent APPL-NO: 09/792224 DATE FILED: February 23, 2001).

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to CUONG H. NGUYEN whose telephone number is 703-305-4553. The examiner can normally be reached on 7 am - 330 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, VINCENT A. MILLIN can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-305-7687.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Cuonghnguyen

CUONG H. NGUYEN
Primary Examiner
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